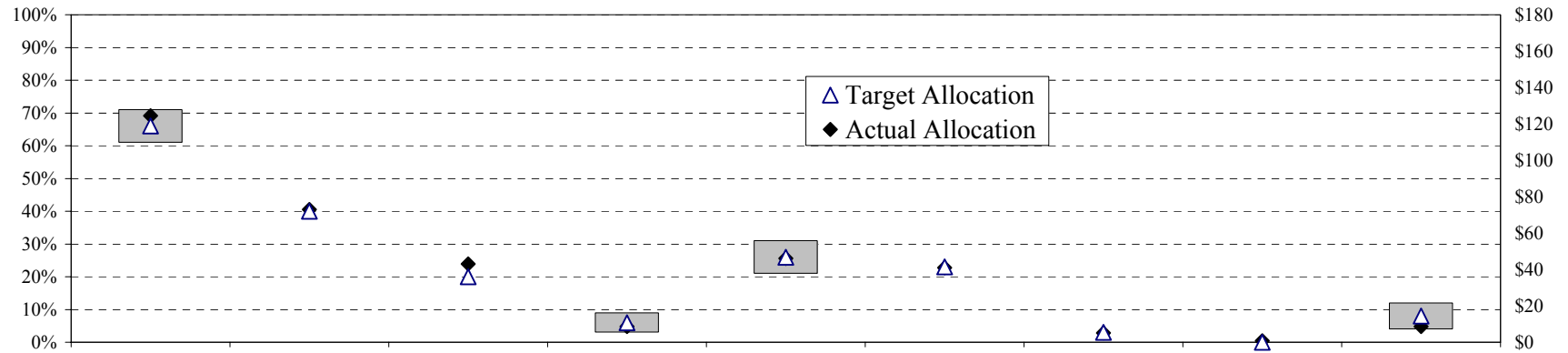


CaIPERS

Asset Allocation as of September 30, 2005

Total Fund Market Value: **\$195,507,602,433**



	Total Equity	Domestic Equity	Non-U.S. Equity	Private Equity	Global Fixed	Domestic Fixed	Non-U.S. Fixed	Cash ²	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	69.2%	40.5%	23.9%	4.8%	25.6%	22.8%	2.8%	0.4%	4.8%	N/A
Variance %	3.2%	0.5%	3.9%	(1.2%)	(0.4%)	(0.2%)	(0.2%)	0.4%	(3.2%)	N/A
Strategic \$ ³	\$129.0	\$78.2	\$39.1	\$11.7	\$50.8	\$45.0	\$5.9	\$0.0	\$15.6	N/A
Actual \$ ^{3 4}	\$135.3	\$79.2	\$46.7	\$9.3	\$50.1	\$44.5	\$5.5	\$0.8	\$9.4	N/A
Variance \$ ³	\$6.2	\$1.0	\$7.6	(\$2.4)	(\$0.8)	(\$0.4)	(\$0.3)	\$0.8	(\$6.3)	N/A
% Passive	66.3%	80.9%	54.6%	0.0%	0.0%	0.0%	0.0%	0.0%	4.6%	46.1%
% Active	33.7%	19.1%	45.4%	100.0%	100.0%	100.0%	100.0%	100.0%	95.4%	53.9%
% Internal ¹	51.6%	80.9%	12.0%	0.0%	87.7%	98.5%	0.0%	44.9%	4.6%	58.5%
% External ¹	48.4%	19.1%	88.0%	100.0%	12.3%	1.5%	100.0%	55.1%	95.4%	41.5%

MDP Venture accounts included in MDP's primary asset class. MDP Fixed and Enhanced Index Equity roll to External Domestic Equity.

¹ For cash percentage only, average over previous 6 months.

² Cash includes SMIF at STO.

³ (\$ Billion)

⁴ Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

Private Equity Asset Allocation as of 09/30/2005			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$9.30	4.8%	
Unfunded Commitment	\$10.00	5.1%	
Current Market Value plus Unfunded Commitment	\$19.30	9.9%	3-9%

CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 9/30/2005

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure				Total FI Market Value	Real Estate	TOTAL Market Value	% of Total Fund ⁽³⁾
	Internally Managed Active	Internally Managed Passive	Externally Managed Active	Externally Managed Passive		Internal	External	Sec. Lending ⁽²⁾	Exposure ⁽¹⁾				
GENERAL ELECTRIC	188,962,000	1,341,470,039	197,886,603		1,728,318,642	48,777,207	63,805,316	700,728,128	813,310,651			2,541,629,293	0.95%
EXXON MOBIL CORP	162,465,299	1,548,730,314	241,768,112		1,952,963,725				0			1,952,963,725	1.01%
MICROSOFT CORP	196,830,049	1,050,759,167	172,470,660		1,420,059,876				0			1,420,059,876	0.74%
CITIGROUP	100,044,857	887,571,720	210,679,897		1,198,296,474	82,846,064	24,336,050		107,182,114			1,305,478,588	0.68%
WAL MART STORES INC	128,642,155	705,002,452	71,560,512		905,205,119	113,605,710	1,160,349		114,766,059			1,019,971,178	0.53%
PFIZER INC	123,328,903	705,100,363	118,387,639		946,816,905	5,732,356	9,996,044		15,728,400			962,545,305	0.50%
CHEVRONTXACO CORP	104,018,923	555,383,400	132,567,687		791,970,010	121,207,924	23,336,308		144,544,232			936,514,242	0.49%
JOHNSON + JOHNSON	80,566,830	702,306,752	128,164,781		911,038,363				0			911,038,363	0.47%
HSBC HOLDINGS	0	90,851,572	53,029,444	391,718,448	535,599,464	156,273,609	16,262,798	202,535,506	375,071,913			910,671,377	0.37%
BANK OF AMERICA	65,351,535	641,852,390	131,091,612		838,295,537	45,333,118	13,157,167		58,490,285			896,785,822	0.46%
JPMORGAN CHASE & CO	44,509,001	457,429,535	74,145,872		576,084,408	13,773,163	12,427,226	207,945,160	234,145,549	8,828,590		819,058,547	0.32%
INTEL CORP	83,033,303	594,207,970	110,527,322		787,768,595				0			787,768,595	0.41%
ROYAL DUTCH SHELL	0	114,046,589	151,983,803	508,471,801	774,502,193				0			774,502,193	0.40%
AMERICAN INTL GROUP INC	91,775,896	601,563,444	60,629,099		753,968,439	9,500,986	4,520,385		14,021,371			767,989,810	0.40%
BRITISH PETROLEUM	0	124,750,469	72,135,319	537,457,549	734,343,337				0			734,343,337	0.38%
PROCTER + GAMBLE CO	91,709,855	571,053,840	61,940,136		724,703,831	5,079,192			5,079,192			729,783,023	0.38%
INTERNATIONAL BUSINESS I	95,525,174	513,793,056	45,335,531		654,653,761	8,642,300		60,073,212	68,715,512			723,369,273	0.34%
BERKSHIRE HATHAWAY	94,907,123	449,531,774	21,561,800		566,000,697			150,051,540	150,051,540			716,052,237	0.29%
VERIZON	31,259,322	335,379,786	58,653,215		425,292,323	282,280,247	7,941,335		290,221,582			715,513,905	0.37%
CONOCOPHILLIPS	75,781,881	364,280,037	118,244,376		558,306,294	138,163,506	1,282,213		139,445,719			697,752,013	0.36%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

(2) Does not include Repos

(3) Excludes securities lending exposure

TARGET PERCENTAGE COMPARISON
ASSET ALLOCATION¹
As of September 30, 2005

(A) <u>Asset Class</u>	(B) <u>Market Value</u> (\$ Billion)	(C) <u>Current</u> <u>Allocation</u>	(D) <u>Target</u>	(E) <u>Macro</u> <u>Ranges</u>	(F) <u>Difference</u> <u>(C-D)</u>
Total Cash Equivalents	0.8	0.4 %	0.0 %		0.4 %
Total Global Fixed Income	50.1	25.6	26.0	21-31 %	-0.4
Total AIM: Direct/Partnership	9.3	4.8	6.0	3-9 %	-1.2
Equities					
Domestic ²	79.2	40.5	40.0		0.5
International	<u>46.7</u>	<u>23.9</u>	<u>20.0</u>		<u>3.9</u>
Total Equities	126.0	64.4	60.0	61-71 %	4.4
Total Real Estate	9.4	4.8	8.0	4-12 %	-3.2
Total Equities & Real Estate	<u>135.3</u>	<u>69.2</u>	<u>68.0</u>		1.2
Total Fund	<u><u>195.5</u></u>	<u><u>100.0 %</u></u>	<u><u>100.0 %</u></u>		

¹ As allocated to managers.

² Included is MDP Investment: LM Capital Investment: Total Market Value=**\$179.7M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

TARGET DOLLAR COMPARISON ASSET ALLOCATION

As of September 30, 2005

(A) <u>Asset Class</u>	(B) Current <u>Allocation</u>	(C) <u>Market Value</u> (\$ Billion)	(D) <u>New Policy¹</u> (\$ Billion)	(E) Difference <u>(D-C)</u> (\$ Billion)
Total Cash Equivalents	0.4 %	0.8	0.0	-0.8
Total Global Fixed Income	25.6	50.1	50.8	0.8
Total AIM: Direct/Partnership	4.8	9.3	11.7	2.4
Equities				
Domestic ²	40.5	79.2	78.2	-1.0
International	<u>23.9</u>	<u>46.7</u>	<u>39.1</u>	<u>-7.6</u>
Total Equities	64.4	126.0	117.3	-8.6
Total Real Estate	4.8	9.4	15.6	6.3
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	69.2	135.3	132.9	-2.4
	<hr/>	<hr/>	<hr/>	
Total Fund	<u>100.0 %</u>	<u>195.5</u>	<u>195.5</u>	

¹ New Policy: Strategic asset allocation targets effective January 1, 2005.

² Included is MDP Investment: LM Capital Investment: Total Market Value= **\$179.7M**.

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MONTHLY PROGRESS REPORT

ASSET ALLOCATION¹

As of September 30, 2005

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>8/31/2005 Market Value (\$ Billion)</u>	<u>9/30/2005 Market Value (\$ Billion)</u>	<u>Difference (C-B) (\$ Billion)</u>	<u>Target (\$ Billion)</u>
Total Cash Equivalents	1.2	0.8	-0.3	0.0
Total Global Fixed Income	51.3	50.1	-1.2	50.8
Total AIM: Direct/Partnership	9.4	9.3	-0.1	11.7
Equities				
Domestic ²	78.3	79.2	0.9	78.2
International	<u>44.7</u>	<u>46.7</u>	<u>2.0</u>	<u>39.1</u>
Total Equities	123.0	126.0	2.9	117.3
Total Real Estate	11.1	9.4	-1.7	15.6
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	134.1	135.3	1.2	132.9
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund	<u>196.0</u>	<u>195.5</u>	-0.4	<u>195.5</u>

¹ Monthly progress report toward new policy targets.

² Included is MDP Investment: LM Capital Investment: Total Market Value= **\$179.7M**.

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BOOK VS MARKET VALUE

As of September 30, 2005

(A) <u>Asset Class</u>	(B) <u>Book</u> <u>Value</u> (\$ Billion)	(C) <u>Market</u> <u>Value</u> (\$ Billion)	(D) Difference <u>(C - B)</u> (\$ Billion)
Total Cash Equivalents	0.8	0.8	0.0
Total Global Fixed Income	49.2	50.1	0.8
Total AIM: Direct/Partnership	11.4	9.3	-2.1
Equities			
Domestic ¹	46.6	79.2	32.6
International	<u>35.2</u>	<u>46.7</u>	<u>11.5</u>
Total Equities	81.8	126.0	44.2
Total Real Estate	7.9	9.4	1.5
	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	89.7	135.3	45.7
	<hr/>	<hr/>	<hr/>
Total Fund	<u><u>151.1</u></u>	<u><u>195.5</u></u>	44.4

¹ Included is MDP Investment- LM Capital Investment: Total Book Value=~~\$180.4M~~, Total Market Value=~~\$179.7M~~.

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When summing net amounts on this report, there may be breakage.

GROSS PERFORMANCE VS EXPECTED RETURNS

One Year
October 1, 2004 to September 30, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	0.4 %	2.8 %	5.2 %	1.1 %	4.1 - 6.3 %
Total Global Fixed Income	25.6	5.0	6.1	8.0	-1.9 - 14.1
Total AIM	4.8	20.8	13.5	30.0	-16.5 - 43.5
Equities					
Domestic	40.5	13.9	9.6	17.0	-7.4 - 26.6
International	23.9	30.5	9.1	19.5	-10.4 - 28.6
Total Equities	64.4	19.6			
Total Real Estate	4.8	54.4	8.5	14.0	-5.5 - 22.5
Total Fund	100.0	17.2	8.8	12.2	-3.4 - 21.0

¹ Asset Allocation Workshop, October 2004

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When summing net amounts on this report, there may be breakage.

NET PERFORMANCE VS EXPECTED RETURNS

One Year

October 1, 2004 to September 30, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	0.4 %	2.8 %	5.2 %	1.1 %	4.1 - 6.3 %
Total Global Fixed Income	25.6	5.0	6.1	8.0	-1.9 - 14.1
Total AIM	4.8	20.8	13.5	30.0	-16.5 - 43.5
Equities					
Domestic	40.5	13.9	9.6	17.0	-7.4 - 26.6
International	<u>23.9</u>	<u>30.4</u>	9.1	19.5	-10.4 - 28.6
Total Equities	64.4	19.5			
Total Real Estate	4.8	43.3	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>16.7</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.

When summing net amounts on this report, there may be breakage.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
GROSS RATES OF RETURN
Period Ending September 30, 2005
Investment Committee Meeting November 2005

	MKT VAL (000'S)	One Month Sep 05	QTR Jul - Sep 05	FYTD 05-06	CYTD 2005	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	195,507,602	1.72	4.83	4.83	8.11	17.23	16.62	4.55	9.42
CALPERS POLICY INDEX		0.95	4.00	4.00	6.17	14.56	15.13	3.66	8.57
ACTUAL WEIGHTED TOTAL FUND INDEX		1.16	3.99	3.99	5.88	14.61	15.17	3.69	8.61
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	75,898,685	0.71	3.90	3.90	3.79	13.94	18.03	-0.59	9.59
WILSHIRE 2500 EX TOBACCO (BLENDED)		0.72	3.80	3.80	3.77	13.89	17.88	-1.02	9.27
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	38,703,807	4.99	11.83	11.83	12.19	29.85	26.59	4.45	7.19
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	39,019,828	5.28	11.86	11.86	14.24	30.52	25.27	3.71	7.54
CALPERS FTSE A-W X US/SSGA BLEND		4.92	11.44	11.44	11.48	28.98	26.84	4.48	7.09
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,650,257	4.37	10.76	10.76					
CALPERS FTSE DEV WORLD EX US & TOBACCO		4.30	10.63	10.63					
SWCG INTERNATIONAL EQUITY TRANSITION	27,334								
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,531,935	1.53	4.98	4.98	8.14	15.37	11.70		
TOTAL ARS PROGRAM BLENDED INDEX		0.44	1.68	1.68	5.24	6.71	12.24		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,611,141	2.92	5.93	5.93	15.33	34.11	30.03	17.64	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		4.13	9.30	9.30	10.07	21.62	22.42	3.18	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,733	-0.81	-0.36	-0.36	1.18	2.84	6.38		
CITIGROUP BROAD INVESTMENT GRADE		-1.06	-0.68	-0.68	1.91	2.92	4.07	6.67	6.57
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	44,541,001	-1.62	-0.98	-0.98	2.98	5.01	7.79	8.41	7.74
CALPERS CUSTOM LEH LPF		-1.73	-1.30	-1.30	3.00	4.77	5.52	8.13	7.41
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,515,878	-1.89	-1.03	-1.03	-6.08	3.75	10.26	9.08	5.81
CALPERS WORLD GOVT EX US		-2.01	-1.12	-1.12	-6.61	3.24	9.57	8.70	4.89
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	816,667	0.33	0.89	0.89	2.25	2.77	1.82	2.75	4.29
CALPERS CUSTOM STIF NET OF FEES		0.29	0.86	0.86	2.17	2.61	1.62	2.44	3.98
ALTERNATIVE INVESTMENTS									
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,219,232	0.08	2.01	2.01	16.64	20.76	10.09	0.28	12.28
SJAIM AIM COMPOSITE	9,302,069	0.07	2.13	2.13	16.49	21.18	10.27	0.01	
PERS WILSHIRE 2500/CYFU BLEND		1.27	3.87	3.87	12.05	16.09	6.58	-4.30	
SW2V AIM DISTRIBUTION STOCK	82,837	-0.70	8.53	8.53	10.00	32.29	26.81	-10.49	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,301,092	16.43	16.52	16.52	48.64	57.65	23.76	19.86	16.52
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,078,881	6.96	7.74	7.74	31.37	41.84	26.26	16.42	15.50
NCREIF PROPERTY 1 QTR LAG INDEX		5.34	5.34	5.34	14.12	18.02	12.08	10.63	11.37

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
NET RATES OF RETURN
Period Ending September 30, 2005
Investment Committee Meeting November 2005

	MKT VAL (000'S)	One Month Sep 05	QTR Jul - Sep 05	FYTD 05-06	CYTD 2005	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	195,507,602	1.60	4.70	4.70	7.63	16.68	16.30	4.33	9.27
CALPERS POLICY INDEX		0.95	4.00	4.00	6.17	14.56	15.13	3.66	8.57
ACTUAL WEIGHTED TOTAL FUND INDEX		1.16	3.99	3.99	5.88	14.61	15.17	3.69	8.61
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	75,898,685	0.71	3.89	3.89	3.77	13.91	18.01	-0.61	9.57
WILSHIRE 2500 EX TOBACCO (BLENDED)		0.72	3.80	3.80	3.77	13.89	17.88	-1.02	9.27
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	38,703,807	4.99	11.82	11.82	12.15	29.78	26.51	4.40	7.15
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	39,019,828	5.28	11.84	11.84	14.19	30.44	25.19	3.65	7.49
CALPERS FTSE A-W X US/SSGA BLEND		4.92	11.44	11.44	11.48	28.98	26.84	4.48	7.09
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,650,257	4.37	10.76	10.76					
CALPERS FTSE DEV WORLD EX US & TOBACCO		4.30	10.63	10.63					
SWCG INTERNATIONAL EQUITY TRANSITION	27,334								
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,531,935	1.49	4.92	4.92	7.98	15.16	11.23		
TOTAL ARS PROGRAM BLENDED INDEX		0.44	1.68	1.68	5.24	6.71	12.24		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,611,141	2.92	5.92	5.92	15.09	33.66	29.33	17.10	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		4.13	9.30	9.30	10.07	21.62	22.42	3.18	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,733	-0.81	-0.39	-0.39	1.06	2.69	6.15		
CITIGROUP BROAD INVESTMENT GRADE		-1.06	-0.68	-0.68	1.91	2.92	4.07	6.67	6.57
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	44,541,001	-1.62	-0.99	-0.99	2.97	5.00	7.78	8.40	7.73
CALPERS CUSTOM LEH LPF		-1.73	-1.30	-1.30	3.00	4.77	5.52	8.13	7.41
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,515,878	-1.89	-1.05	-1.05	-6.12	3.68	10.18	9.00	5.73
CALPERS WORLD GOVT EX US		-2.01	-1.12	-1.12	-6.61	3.24	9.57	8.70	4.89
CASH EQUIVALENTS									
SJVK1 TOTAL CASH	816,667	0.33	0.89	0.89	2.25	2.77	1.82	2.75	4.29
CALPERS CUSTOM STIF NET OF FEES		0.29	0.86	0.86	2.17	2.61	1.62	2.44	3.98
ALTERNATIVE INVESTMENTS									
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,219,232	0.08	2.01	2.01	16.64	20.76	10.09	0.28	12.28
SJAIM AIM COMPOSITE	9,302,069	0.07	2.12	2.12	16.47	21.16	10.25	-0.01	
PERS WILSHIRE 2500/CYFU BLEND		1.27	3.87	3.87	12.05	16.09	6.58	-4.30	
SW2V AIM DISTRIBUTION STOCK	82,837	-0.70	7.76	7.76	8.94	30.95	25.42	-11.38	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,301,092	13.48	13.57	13.57	38.54	46.52	19.97	17.12	14.78
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,078,881	5.67	6.44	6.44	21.94	30.78	20.73	12.47	12.83
NCREIF PROPERTY 1 QTR LAG INDEX		5.34	5.34	5.34	14.12	18.02	12.08	10.63	11.37

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

GROSS RETURNS

One Year

October 1, 2004 to September 30, 2005

	(A)	(B)	(C)
<u>Asset Classes</u>	<u>Reported Gross Return</u>	<u>Expenses¹ (Percent)</u>	<u>Net Return (A-B)</u>
Total Cash Equivalents	2.77%	0.00%	2.77%
Total Global Fixed Income	4.98%	0.02%	4.96%
Total AIM	20.76%	0.00%	20.76%
Equities			
Domestic	13.94%	0.03%	13.91%
International	<u>30.52%</u>	<u>0.08%</u>	<u>30.44%</u>
Total Equities	19.55%	0.05%	19.50%
Total Real Estate	54.41%	11.13%	43.28%
	<hr/>	<hr/>	<hr/>
Total Fund	17.23%	0.55%	16.68%

¹ Does not include Real Estate Advisor Fees or External Equity and Fixed Income manager base fees which are already netted out of return. Does include AIM Partnership and Direct Component fees.

CALPERS INVESTMENT IN CALIFORNIA as of September 30, 2005

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)¹ (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Real Estate - Mortgages					
AFL-CIO (HIT)	100.4	N/A	62.5	62	Union related mortgage fund
CA Community Mortgage Fund	35.0	35.0	35.0	100	Small commercial and multi-family residential mortgages to economically targeted areas
Commercial (Whole Loans/MBS)	647.4	739.2	739.2	N/A	Commercial whole loans, mortgage backed securities and Great Northern program.
Member Home Loan Program	1,350.5	N/A	N/A	N/A	Housing loans for PERS members (includes \$.89 mill of single family MBS)
Ullico	<u>17.3</u>	<u>17.3</u>	<u>17.3</u>	<u>100</u>	No new additional commitments will be issued as of 3/27/98. All commitments issued.
Subtotal	2,150.5	791.4	853.9	40 %	
Core Portfolio					
AFL-CIO (BIT)	124.1	N/A	23.1	19	Union related mortgage funds
CORE - Equity	5,472.6	2,381.1	2,381.1	44	CORE Equity programs
PREES- REITS	435.4	218.9	218.9	50	Public companies
Non-Core Portfolio					
Senior Housing	215.6	64.5	64.5	30	\$200m program approved in 6/00 by Investment Committee, approximately 15-20% of which will be CA based. Program to acquire/develop senior housing facilities throughout the United States. Leverage up to 65% loan to portfolio value for company level distributions. 65% top be used on all acquisition/development going forward.
California Urban Real Estate- (CURE)					
Pacific City Homes	56.2	200.0	56.2	100	Approved 6/01, pending final contract execution, CityHome Partners will focus on developing affordable, for sale, single-family residential communities in urban infill locations throughout California.
Bridge	32.6	100.0	32.6	100	Approved 6/00 by Investment Committee, contract finalized 1/01. Program focusing on early phase capital for the development of affordable housing in urban California. Subsequent to 09/30/02, Bridge invested approximately 11.9 million in the CURE program.
Buchanan Urban Investors	104.8	350.0	104.8	100	Buchanan Urban Investors provides financing for multifamily, industrial, retail, office, mixed use, and storage facilities in urban
CalSmart	152.4	410.0	152.4	100	Program for a broad variety of urban infill development/redevelopment throughout California.
Capri Capital Partners	38.7	60.0	38.7	100	Approved in 06/01 by the Investment Committee. Capri's focus is promoting mezzanine debt for multi-family projects. Subsequent to 09/30/02, Capri invested approximately \$3.9 million in the CURE program.
CIM	182.7	405.0	182.7	100	Approved 6/00 by Investment Committee, contract executed 12/01/00. Program for urban development of street retail and mixed use development/redevelopment properties.
CUIP	262.2	N/A	262.2	100	Urban Infill Investments in California urban areas
Institutional Housing Partners IV	7.0	40.0	7.0	100	Approved in 6/01, IHP will focus on equity investments (development and redevelopment properties) for commercial and multi-family residential and mixed-use projects in infill locations throughout California.
Kennedy Office Development	37.7	150.0	37.7	100	Approved 6/00 by Investment Committee. Program for development/redevelopment of urban office, office r&d and industrial properties
Klein Financial Corporation JV	1.8	50.0	1.8	100	CURE-Affordable Multifamily Housing/ 60% Leverage
Legacy Partners	11.3	70.0	11.3	100	CURE-Affordable Multifamily Housing/ 60% Leverage
R Street Residential	19.7	N/A	19.7	100	
Housing					
Acquisition & Development	28.1	28.1	28.1	100	California land acquisition & development program
National Housing	1,496.4	447.9	447.9	30	Program updated as of 10/99. Single family housing/land development nationwide with emphasis on California.
Single Family Housing	55.9	55.9	55.9	100	California Single Family Housing program

CALPERS INVESTMENT IN CALIFORNIA as of September 30, 2005

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)¹ (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Technology					
Technology	502.7	200.0	96.9	19	\$500m program approved in 05/00 by Investment Committee, approximately 30-40% of which will be California based. Contract finalization in 02/01. Program designed to benefit from convergence of real estate and technology. Subsequent to 09/30/02, GIP invested \$37 million in the technology program.
Natural Resources					
Agricultural	119.7	92.1	69.1	58	Pacific Vineyard Partners will acquire and develop vineyards for high end wineries. The program will sell off the developed land to interested parties upon full maturity of the vineyards, approximately 7 years. Leverage max 35% loan to portfolio value.
Timber	137.7	N/A	N/A	N/A	Timber holdings in conjunction with advisory firms throughout the United States. Up to 40% approved at the discretion of SIO. Most likely will use 35% leverage on all acquisition/development. Up to 25% loan to portfolio value for company level debt, policy allows for up to 40%. Most likely will use 20-25% leverage going forward.
Opportunistic					
DIVCO West	3.3	13.4	1.9	N/A	Opportunity Fund FUND focused on buying distressed high-tech Silicon Valley properties for releasing and repositioning.
Other Opportunistic Real Estate	191.3	N/A	N/A	N/A	
International					
International Real Estate	298.5	N/A	N/A	N/A	International real estate.
Subtotal	<u>9,988.2</u>	<u>5,336.9</u>	<u>4,294.4</u>	<u>43</u> %	Real estate commitment values
SW6KRE - CORE MV Adjustment	-409.0				
SW8KRE - SPECIALIZED MV Adjustment	<u>-215.6</u>				
Total Real Estate	11,514.1	6,128.3	5,148.3	45 %	
AIM: Partnership Component	9,302.1	1,900.0	1,400.0	15	Includes commitments through September 30, 2005
Domestic Equity	79,236.4	10,300.7	10,300.7	13	CA investment assumed to be 13% of total portfolio value
International Equity	<u>46,715.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Total Equities	<u>135,254.1</u>	<u>12,200.7</u>	<u>11,700.7</u>	<u>9</u> %	
Total Real Estate & Equities	146,768.2	18,329.0	16,849.0	11 %	Of total portfolio CA investments in real estate & equities: 8.6%
Cash Equivalents	833.0	0.0	0.0	0	On deposit at the Treasurer's Office: \$188.60
Domestic Fixed Income					
Corporate Bonds	20,995.2	382.7	382.7	2	Companies headquartered in CA
Mortgage Pass-Throughs/CMOs	12,593.4	2,518.6	2,518.6	20	CA investment assumed to be 10% GNMA; 20% FNMA; 20% FHLMC; 20% CMO.
External Managed	649.1	0.0	0.0	<u>0</u>	
Treasury Bonds	<u>8,152.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Subtotal	42,390.5	2,901.3	2,901.3	7 %	
International Fixed Income	<u>5,515.9</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Total Global Fixed Income	<u>47,906.4</u>	<u>2,901.3</u>	<u>2,901.3</u>	<u>6</u> %	
TOTAL	<u>195,507.6</u> =====	<u>21,230.3</u> =====	<u>19,750.3</u> =====	<u>10</u> % =====	Outstanding commitments (column E/column C): 10.9%

¹ Total actual investments at market value and outstanding program commitments in California